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Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: special economic assistance to individual countries or regions

Special assistance for the economic recovery and reconstruction of the Democratic Republic of the Congo

Report of the Secretary-General**

Summary

Pursuant to General Assembly resolution 57/146, the present report describes the special assistance provided by the United Nations system and other development partners to the Democratic Republic of the Congo for the country's economic recovery and reconstruction. This assistance was provided in a context characterized, politically, by the continuation and conclusion of the inter-Congolese negotiations begun in South Africa in October 2001 and by the ongoing implementation of the macroeconomic programme launched by the Government in April 2001.

The signing of the Final Act of the inter-Congolese political negotiations on 2 April 2003 in Sun City, South Africa, offers encouraging prospects for a peaceful resolution of the country's political crisis. The President of the Republic signed a decree on 30 June 2003 appointing the members of the Transitional Government, and under the new timetable, all transitional institutions were scheduled to start activities on 17 July 2003.

The Security and humanitarian situation remains a matter of concern. The persistence of local conflicts, mainly in Ituri and the two Kivu provinces, has exacerbated the thorny problem of internally displaced persons, who now number more than 2.5 million. Access to these vulnerable persons is not easy, owing to lack

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of security in the areas concerned and the fact that people are widely dispersed. The deployment of the Interim Emergency Multinational Force in Bunia under a mandate from the Security Council has stabilized the situation in that city.

Despite significant macroeconomic advances, particularly in controlling inflation, the social situation remains precarious. The great majority of the population continue to live below the poverty line.

Faced with these various challenges, agencies of the United Nations system have provided technical, material and financial assistance in three areas: (a) support for the transition process; (b) support for democratic governance and poverty reduction; and (c) emergency humanitarian assistance.

Support for the peace process has involved: (a) assistance in implementing the Global and All-Inclusive Agreement; (b) assistance to the Ituri peace process through the convening and organization of the Ituri Pacification Commission (IPC); (c) preparation of the national programme for the disarmament, demobilization and reintegration of Congolese forces; (d) formulation and implementation of special disarmament, demobilization and reintegration projects; and (e) demobilization and reintegration of child soldiers.

Support for democratic governance and poverty reduction has involved: (a) promoting human rights and a culture of peace through training and awareness-raising activities; (b) continuing capacity-building activities in the public administration and preparing a civil service reform; (c) combating HIV/AIDS by improving access to information and to prevention and treatment services and by building the capacities of those involved in these efforts.

Recognizing the progress made on both the political and the macroeconomic fronts but also the fragility of the results achieved, the United Nations system in the Democratic Republic of the Congo is advocating urgent, consistent international assistance for building peace and security and combating poverty. A special transition assistance programme, an emergency public infrastructure rehabilitation programme expanded to the country's eastern and northern provinces and an emergency humanitarian, social and cultural programme should be the three pillars of the international community's strategic intervention framework.

I. Introduction

1. The present report is submitted in accordance with General Assembly resolution 57/146, by which the Assembly, taking note of the report of the Secretary-General on special assistance for the economic recovery and reconstruction of the Democratic Republic of the Congo (A/57/377), requested the Secretary-General to report to it at its fifty-eighth session on the actions taken by the United Nations system and the international community as a whole to secure an end to the hostilities and to human rights violations, the withdrawal of foreign forces, the demobilization and reintegration of child soldiers, the access of humanitarian organizations to vulnerable populations, the free movement of people and goods, the effective establishment of a government of national unity and the relaunching of the national economy.

II. General situation of the Democratic Republic of the Congo

A. Political and security situation

Political transition process

2. The political transition process took a decisive turn on 2 April 2003 in Sun City, South Africa, with the signing by the participants in the inter-Congolese dialogue of the Final Act of the inter-Congolese political negotiations begun in October 2001. By signing the Act, the participants in the inter-Congolese dialogue approved the Global and All-Inclusive Agreement on the Transition in the Democratic Republic of the Congo, signed in Pretoria on 17 December 2002, the draft Transitional Constitution and the 36 resolutions adopted by the participants in Sun City in March and April 2002. These agreements amount to a comprehensive programme for the restoration of peace and national sovereignty in the Democratic Republic of the Congo during a two-year transition period.

3. The signing of the Final Act of the inter-Congolese dialogue was immediately followed by the promulgation of the Transitional Constitution by the President of the Republic on 4 April 2003 and by his swearing in on 7 April 2003. The National Follow-up Commission, responsible for preparing the way for the establishment of new institutions and made up of representatives of the signatories to the Sun City Agreement, was set up and held its first meeting on 14 April, in the absence of representatives of the Rassemblement congolais pour la démocratie-Goma (RCD-Goma), who finally arrived in Kinshasa on 27 April, thanks to the efforts of the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC). The second meeting, with all representatives, took place on 29 April 2003 in Kinshasa. The International Committee for Support to the Transition (ICST), made up of representatives of the permanent members of the Security Council and the Troika of the African Union (South Africa, Mozambique and Zambia), Angola, Belgium, Canada, Gabon, the African Union and the European Union, was also established and held its first meeting with President Kabila on 10 April 2003.

4. The various political components agreed on the establishment of the institutions provided for in the Global and All-Inclusive Agreement. After agreement was reached on the distribution of posts within the High Command of the

integrated national army, the President of the Republic signed a decree on 30 June 2003 appointing members of the Transitional Government. At its 8 July 2003 meeting, the National Follow-up Commission published the new timetable for the establishment of transitional institutions. According to that timetable, all institutions were to be in place by 17 July 2003, after the arrival of Vice-Presidents Bemba and Ruberwa in Kinshasa on 15 and 16 July.

Military and security situation

5. At the beginning of May 2003, after the withdrawal of Ugandan troops, the district of Ituri, and the city of Bunia in particular, were the scene of violent clashes between ethnic Hema and Lendu militias which triggered a major humanitarian crisis (more than 350 deaths in Bunia and 500,000 to 600,000 displaced persons in Ituri). Pursuant to Security Council resolution 1484 (2003), an Interim Emergency Multinational Force under French command was deployed to Bunia on 6 June 2003 to secure the area. Clashes were also reported in the provinces of North Kivu between the troops of RCD-Goma on one hand, and the forces of RCD-Kisangani/Mouvement de libération and the Congolese Armed Forces on the other. On 9 June 2003, RCD-Goma troops retook the towns of Kanyabayonga and Alimbongo, which had been under the control of RCD-Kisangani/Mouvement de libération. The town of Lubero fell to them on 19 June. Moreover, Mai-Mai to the north-east of Kindu, towards Shabunda; the Mudundu 40 Mai-Mai group to the west and south of Bukavu; and the Banyamulenge militia led by Commandant Masunzu and Mai-Mai around Uvira continue to harass RC-Goma troops in Maniema and South Kivu.

6. These clashes have weakened the ceasefire and undermined the efforts made by the Ituri Pacification Commission, which established an interim authority in Bunia in late April. The ongoing clashes in North Kivu also continue to threaten the peace process and exacerbate the already precarious humanitarian situation. Moreover, lack of security in the east may undermine ongoing efforts to restore security throughout the country and reduce the risks of the direct involvement of Uganda and Rwanda. MONUC operations to disarm, demobilize and repatriate foreign armed groups are being directly affected by this lack of security in the eastern part of the country. Since October 2002, only 2,050 former combatants and their dependants have been repatriated to Rwanda. Experience has shown that the voluntary disarmament, demobilization, reintegration, repatriation and resettlement programme for foreign forces carried out by MONUC can succeed only if reasonable security conditions prevail and all concerned parties cooperate fully.

B. Economic situation

Growth

7. The upturn in production observed since 2001 seems to have continued in 2002. The statistical review and national accounts commission estimates that gross domestic product (GDP) grew by 3.17 per cent in 2002, as against -1.1 per cent in 2001 and -6.9 per cent in 2000. However, that renewed growth is largely dependent on the service sector (+7.1 per cent in 2002 as against +1.3 per cent for the goods sector). Aside from construction and public works (+12.8 per cent), growth is weak in the branches of goods production, particularly manufacturing (-6.5 per cent). The

slowdown seen at the beginning of 2003 also confirms how fragile that growth is. The Commission is predicting a growth rate of 2.4 per cent for 2003, 2.6 points below the target of 5 per cent set by the Government at the start of the year.

Inflation

8. Inflation continued to slow down in 2002. The inflation rate at the end of the period was 15.8 per cent, as against 135.1 per cent in 2001 and 512 per cent in 2000. For the first five months of 2003, the cumulative inflation rate was 4.57 per cent, corresponding to an annual rate of 12.2 per cent. The Government's target for prices is to bring the inflation rate down to under 10 per cent (6 per cent for 2003 and 5 per cent for 2004).

Public finance

9. For the first time in many years, the State budget for the financial year 2002 was issued within the legal time frame. Nevertheless, budgeted resources still fall short of the country's huge needs. Moreover, despite efforts to restore the chain of income and expenditures, the mobilization of public resources remains low (less than 10 per cent of GDP) and the allocation of resources continues to be dominated by current expenditures (96.7 per cent in 2002). As at 31 December 2002, State financial operations showed a surplus of CGF 23,888.4 million, or 1.3 per cent of GDP. The 2003 budget was issued late, however, reversing the positive trend observed the previous year. This budget should be readjusted to take account of the costs and resources resulting from the country's unification

Currency and exchange rate

10. Control of the money supply has been one of the main instruments of macroeconomic policy since the April 2001 measures to liberalize the economy and hence the exchange rate. By the end of December 2002, the money supply had increased by 30.8 per cent. The current macroeconomic programme provides for a 17-per-cent increase in the money supply in 2003; by the end of March 2003, the increase was already 12.9 per cent. Domestic lending, until 2001 the main cause of the growth of the money supply through monetary financing of budget deficits, has a negative impact on the growth of the money supply (-7.1 per cent in 2002 and -8.9 per cent in the first quarter of 2003). The Central Bank prime rate is 25 per cent (May 2003), as against 140 per cent at the beginning of 2002. On 20 May 2003, the exchange rate of the Congolese franc against the United States dollar was CGF 415.7, as compared with CGF 382.1 on 31 December 2002, an 8.1-per-cent depreciation. The depreciation rate was 18.5 per cent in 2002 and 54.7 per cent in 2001.

Foreign trade

11. The trade balance showed a surplus of US$ 313.9 million in 2002, as against US$ 93.8 million in 2001. Exports increased by 39.7 per cent (US$ 1,258.5 million in 2002) as a result essentially of the strong performance of diamond exports (+65.3 per cent), whereas imports increased by only 17.1 per cent (US$ 944.6 million in 2002). However, the improvement in the trade balance in the first quarter of 2003 was less marked. The trade surplus for January 2003 was US$ 8.4 million.

External debt

12. In 2002, the external debt situation of the Democratic Republic of the Congo was characterized by: (i) the June 2002 settlement of arrears to the International Monetary Fund (IMF) (US$ 519 million), the World Bank (US$ 330 million) and the African Development Bank (ADB) (US$ 895 million); (ii) the signing on 13 September 2002 of a debt consolidation agreement with the Paris Club; and (iii) the start of bilateral negotiations with creditors of that Club. The arrears to the three main multilateral institutions were discharged by means of bridging credit. With regard to its debt to the Paris Club, the Democratic Republic of the Congo has benefited from Naples terms, namely, cancellation of 67 per cent of its debt at net current values (equivalent to US$ 4.64 billion). By 10 April 2003, it had concluded negotiations with all its Paris Club creditors, except Japan. As at 31 December 2002, its total external debt amounted to US$ 10,306.8 million (24.1 per cent lower than at the end of December 2001). Nevertheless, its level of indebtedness remains high and therefore unsustainable (766.6 per cent of exports). Furthermore, until the country reaches the decision point for the Heavily Indebted Poor Countries (HIPC) initiative, debt servicing will remain unsustainable.

C. Social and humanitarian situation

13. The social situation in the Democratic Republic of the Congo continues to be worrying. It is characterized by very high rates of maternal and infant mortality, deteriorating health and social infrastructure and poor access to basic health care and education for the majority of the population. Malnutrition is taking a terrible toll on children: in 2001, 31 per cent of children under 5 years of age were estimated to be moderately underweight. The net primary school enrolment rate for children aged 6 to 11 years declined from 55.9 per cent in 1995 to 51.7 per cent in 2001, an 8-per-cent drop; 31 per cent of children aged 6 to 14 have never attended school. Caloric intake dropped from 2,060 in 1990 to 1,829 in 2001. The infant and combined infant and child mortality rates rose from 114 and 190 per 1,000 in 1995 to 126 and 213 per 1,000 in 2001. The maternal mortality rate, estimated at 1,289 per 100,000 live births, is one of the highest in the world. There are an estimated 1.4 million children either orphaned or affected by HIV/AIDS. The estimated average HIV/AIDS seroprevalence rate is 8.1 per cent for pregnant women and 5.1 per cent for young people.

14. The humanitarian situation is particularly worrying in areas ravaged by the armed conflict, where there are more than 2.7 million displaced persons. In the Bunia urban area alone, nearly 200,000 people are thought to have fled their homes following the recent clashes in May 2003. The humanitarian situation in Kivu has continued to deteriorate. The latest RCD-Goma offensives resulted in serious human rights violations and triggered fresh population movements, forcing tens of thousands of people to seek refuge in the forests or neighbouring villages. The continuing fighting has disrupted the normal activities of humanitarian agencies and made it difficult to deliver assistance to populations affected by the war.

D. Economic measures and options

15. In order to stabilize the macroeconomic situation, which had worsened considerably since the early 1990s, the Government adopted in April 2001, under a reinforced interim programme, macroeconomic measures relating to public finance and the money supply; these measures were mainly designed to break the cycle of high inflation that was undermining the national economy. The results obtained (mainly the stemming of hyper-inflation) made it possible for the country to resume normal relations with the Bretton Woods institutions. Since March 2002, following the preparation by the Government of an interim poverty reduction strategy paper, the reinforced interim programme has been replaced by two major programmes: (a) the Three-year Macroeconomic Reform Programme (April 2002 to July 2005), supported by IMF under the Poverty Reduction and Growth Facility, at a total cost of US$ 730 million; and (b) the Emergency Multisectoral Rehabilitation and Reconstruction Programme (July 2002 to June 2005), at a total cost of US$ 1.7 billion, of which $552 million have yet to be mobilized.

E. Official development assistance

16. External resources rose from US$ 264.17 million in 2000 to $334.56 million in 2001 and $383.5 million in 2002, not allowing for the discharge of foreign debt arrears. Disbursements by agencies of the United Nations system amounted to $62,996,000 in 2002. Based on donor programming in relation to ongoing projects, not including commitments and pledges in connection with the implementation of the Emergency Multisectoral Rehabilitation and Reconstruction Programme, disbursements in 2003 should amount to US$ 380.96 million. Consequently, according to recent estimates, in 2003 there will be a shortfall of nearly US$ 100 million in net capital flows, excluding humanitarian assistance, in relation to debt-service obligations.

F. Macroeconomic dialogue

17. As a result of the resumption of relations with the multilateral institutions, the Democratic Republic of the Congo has been trading consistently with its main development partners since July 2001. Thus, following several preparatory consultations with donors, the country's major partners reaffirmed their commitment to make fresh financial contributions totalling US$ 2.5 billion at the Consultative Group meeting held in Paris in December 2002. A number of donors stressed, however, that such financial commitments remained contingent upon progress on the political front. The biannual IMF programme review missions are another vehicle for the macroeconomic dialogue between the Government and its development partners. The most recent review was conducted from 24 May to 7 June 2003. It covered the period from October 2002 to March 2003 and resulted in the signing of a letter of intent by President Joseph Kabila on 10 June 2003. The letter reaffirms the Congolese Government's commitment not to finance budgetary expenditures through advances from the Central Bank of the Democratic Republic of the Congo and not to accumulate external debt-service arrears. In the view of IMF, however, the review exercise will be complete only after a government of national unity has

been installed and has confirmed its commitment to pursue the current economic programmes.

III. Major challenges and constraints

A. Challenges and constraints relating to the transition

Transitional institutions and modalities

18. The Global and All-Inclusive Agreement and the Transitional Constitution deriving therefrom provide for the establishment of a transitional executive branch, composed of the President, four Vice-Presidents and a Government comprising 61 ministers and deputy ministers. The transitional legislative branch will consist of a National Assembly and a Senate. The Global and All-Inclusive Agreement also provides for the establishment of five institutions in support of democracy: an Independent Electoral Commission, a National Watchdog on Human Rights, a Media Authority, a Truth and Reconciliation Commission and a Committee on Ethics and the Fight against Corruption. The various posts will be distributed among the parties to the inter-Congolese dialogue. The establishment and smooth running of the different institutions and organs of the State are a challenge that the Congolese parties will have to meet in order to solve the most immediate economic, security and social problems, tackle long-term problems and lay the foundations for a more democratic society through the organization of free elections.

Security situation

19. The establishment of an integrated national army capable of guaranteeing everyone's security and safeguarding national territorial integrity continues to be one of the major challenges of the transition period. The persistence of local conflicts in the Ituri area and in the Kivu provinces, the continuing widespread violations of human rights and the slow pace of disarmament, demobilization, reintegration, repatriation and resettlement operations for foreign forces are all factors which will affect the security situation.

Disarmament, demobilization and reintegration of Congolese forces

20. Two major challenges will have to be overcome, namely:

(a) Ensuring cooperation among the different Congolese parties, both inside and outside the Transitional Government, involved in the disarmament, demobilization and reintegration of Congolese forces;

(b) Putting in place a credible legal and institutional mechanism for the national coordination of disarmament, demobilization and reintegration activities that will mobilize all the relevant partners.

21. A number of security, humanitarian and operational factors are constraints on the effective implementation of the disarmament, demobilization and reintegration programme. The most important of these are: (i) the diversity and heterogeneity of the armed groups; (ii) the shifting alliances among the various groups, resulting in frequent changes in their identity, composition and position on the conflict; (iii) the regional dimension, which creates a complex interdependence between the situation

in the Democratic Republic of the Congo and that in neighbouring countries; (iv) the sheer size of the territory which, given the dilapidated state of communications and infrastructure, affects operational capacity in the area of disarmament, demobilization and reintegration; (v) the alarming humanitarian situation, which will make it necessary to address the needs of former combatants at the same time as those of more than 2.7 million displaced persons and of other groups affected by the conflict.

B. Challenges and constraints relating to governance

Civil service

22. The Congolese public administration is in considerable disarray as a result of all kinds of mismanagement and the inadequacy of the material, financial and human resources allocated to it. The series of armed conflicts experienced by the Democratic Republic of the Congo in recent years have accelerated this process of deterioration. The present public administration is incapable of carrying out its public service function effectively and is therefore an impediment to the implementation of development policies and programmes.

23. A radical overhaul of public administration is needed to meet the following challenges:

(a) **Organization of the civil service**. Since tasks/functions in the Congolese public administration are not clearly defined, it has a plethora of structures that pursue the same objectives but are functionally and operationally unrelated;

(b) **Human resources management**. Human resources management is characterized by the following: (i) there are almost no job descriptions; (ii) needs are not defined, job descriptions are inadequate, and there are no competitive examinations for admission to the civil service; (iii) personnel movements are often at variance with the needs of administrative units; and (iv) there is an imbalance in the distribution of staff both geographically and among ministries. However, the single most striking feature of human resources management is the plethora of staff. There were a total of 401,936 civil service staff as at August 2002;

(c) **Human resources development**. The biggest constraint continues to be appalling working conditions. Wages are extremely low, ranging from US$ 3.00 for a messenger to US$ 30.00 for the Secretary of a ministry. This situation is the main reason for the low productivity and rampant corruption. The steady ageing of civil service staff should also be noted; some 70,000 staff who have already reached retirement age are still working, including nearly 25,000 in the education sector.

Justice

24. The Congolese judicial system suffers from serious shortcomings: some of the laws on its books are completely obsolete; there is virtually no independence of the judiciary; working conditions are abysmal; there is no operating budget; judicial staff are not paid; judicial staff are not trained; and the public has no confidence in the judicial system. The dismantling on 24 April 2003 of the military tribunal and the prosecutor's office attached to it represent significant progress for the administration of justice in the Democratic Republic of the Congo. It should be

noted that new military judicial institutions will be established throughout the country, closing down all the military courts set up by rebel movements.

Human rights

25. Notwithstanding the promises made by both the Government and rebel authorities during the celebration of the fifty-third anniversary of the Universal Declaration of Human Rights on 10 December 2001 and the conclusions and resolutions of the National Conference on Human Rights held in May 2001, the human rights situation throughout the Democratic Republic of the Congo deteriorated considerably during 2002. As in 2001, in addition to cases of arbitrary arrest and unlawful detention, extortion, theft, rape and looting of property, acts of violence, torture and other cruel, inhuman and degrading treatment, acts of cannibalism, massacres, summary and extrajudicial executions, cases of harassment of journalists, members of political parties, members of civil society, human rights activists, non-governmental organizations and persons suspected of complicity with the rebels or the Kinshasa Government were reported to the Office of the United Nations High Commissioner for Human Rights throughout 2002. In the east of the country, sexual violence against women and girls reached levels hitherto unknown in the country. Children continue to be recruited into armed groups. Those who perpetrate such crimes are seldom sought and impunity further encourages sexual violence and the recruitment of children.

C. Challenges and constraints relating to humanitarian assistance

26. There are numerous obstacles to humanitarian assistance, the most critical ones being the geographical dispersal of displaced persons (which does not facilitate access to the affected areas and to certain communities), the lack of security and the refusal of armed groups to allow humanitarian agencies access to affected areas. Added to this is the lack of qualified operational partners on the ground, in Katanga, Maniema and Equateur, for example, and the difficulty of identifying and quantifying humanitarian assistance needs.

27. A decline has been observed in resource mobilization. In fact, donors responded markedly less well to the consolidated appeal for the Democratic Republic of the Congo for 2002.

D. Challenges and constraints relating to poverty reduction

28. The human development index of the Democratic Republic of the Congo, which ranked 167th in the *Human Development Report 2003*, is estimated at 0.363. Despite the period of macroeconomic stability observed since July 2001, poverty, both monetary and human, continues to rise. The main cause is the dissolution of the formal sector, as demonstrated by the decline in the number of firms belonging to the Fédération des Entreprises du Congo from nearly 9,000 in the 1980s to fewer than 2,500 in 2003 and the break-up of the largest corporations (notably GECAMINES). The boost provided by the dynamism of communities and the informal sector is not sufficient to reverse this trend.

HIV/AIDS

29. The HIV/AIDS situation in the Democratic Republic of the Congo is extremely worrying and its negative impact on human development is very obvious. According to estimates from the Office for the Coordination of the National Programme to Combat AIDS published in 2000, the rate of HIV infection among persons aged 15 to 49 years was 5.07 per cent. That same year, 79,541 cumulative cases and 699,000 cumulative AIDS-related deaths were recorded and AIDS orphans numbered 687,000. Another characteristic of the HIV/AIDS pandemic in the country is the extreme vulnerability of women, who are the most affected, mainly in the 20-29 age group. The three challenges to be met in this area are: (a) improving access to information and prevention and treatment services, with a focus on young people, pregnant women and armed elements (Congolese Armed Forces and police), and promoting the male and female condom; (b) mobilizing partners, communities and specific groups; and (c) building the capacities of all actors involved in combating HIV/AIDS and sexually transmitted diseases.

IV. Cooperation between the Democratic Republic of the Congo and the United Nations system

A. Support from the United Nations system for the transition

Support for the implementation of the Global and All-Inclusive Agreement

30. The Secretary-General has become involved, through his Special Envoy Mr. Moustapha Niasse, in solving the Congolese crisis. MONUC is assisting the International Committee for Support to the Transition, whose aim is to help the Congolese parties apply the terms of the agreements reached. MONUC has already made the necessary arrangements for the establishment of the "neutral force" envisaged in the Memorandum on the Army and Security, which, together with Congolese forces, is to guarantee the security of the transition actors in Kinshasa. To bring peace to Ituri, MONUC and several agencies of the United Nations, including the United Nations Development Programme (UNDP), provided assistance in establishing the Ituri Pacification Commission. The Commission, which comprises 177 delegates representing the main groups and communities in Ituri, met in Bunia from 4 to 14 April 2003 under the chairmanship of the Deputy Special Representative of the Secretary-General. The delegates to the Commission set up an interim administration, consisting of a 32-member special assembly, an 18-member executive organ and three subcommissions — on security and the consolidation of the cessation of hostilities, the re-establishment of public services and the rule of law, and humanitarian assistance and rehabilitation. These bodies commenced their work on 25 April. The interim administration will need some US$ 300,000 for the initial three months of operation. UNDP has contributed to the financing of the Commission's work under its project "Support for reconciliation and community development in Ituri". With the resumption of hostilities in Ituri at the beginning of May 2003, the interim administration was unable to function. The arrival of the Multinational Force, which has gradually restored security in Bunia, should allow the interim administration progressively to begin its work.

Disarmament, demobilization and reintegration of Congolese forces

31. At the express request of President Joseph Kabila, made on 19 August 2002, and in agreement with the Multi-Country Demobilization and Reintegration Programme (MDRP) partners, UNDP is coordinating disarmament, demobilization and reintegration activities for Congolese combatants. Between November 2002 and February 2003, on the basis of the framework document "Rethinking disarmament, demobilization and reintegration", UNDP devised five projects for a total cost of almost US$ 30 million, 35 per cent of which is already covered by contributions from Multi-Country Demobilization and Reintegration Programme partners, the private sector and the resources of UNDP itself.

32. Following consultations with the Government, the components of the peace process and the international community, UNDP developed the "Interim strategy for the future national disarmament, demobilization and reintegration programme". This strategy document was approved by the partners in Kinshasa last April and was adopted at the latest meeting of the Advisory Committee of the Multi-Country Demobilization and Reintegration Programme, held in Paris at the end of April 2003. It constitutes the road map that is to lead to the institutionalization of the future national disarmament, demobilization and reintegration programme. In this context, a working group on disarmament, demobilization and reintegration and thematic subgroups consisting of national experts, specialized agencies, the Programme and MONUC have been working since last May to define the technical aspects of the national programme.

Disarmament, demobilization and reintegration of child soldiers

33. The United Nations Children's Fund (UNICEF) and UNDP, in cooperation with the Government, have coordinated the development of the interim national programme for the prevention of child recruitment and the disarmament, demobilization and reintegration of children associated with armed groups. A national workshop brought together children, national and international non-governmental organizations, representatives of the various armed groups, and governmental and non-governmental structures involved in the demobilization and reintegration of children and produced a framework document for a national plan, the Government's implementation of which is being supported by UNICEF and UNDP. It is estimated that about 30,000 children, some of them barely 10 years old, are associated with various armed groups, and child recruitment is thought to be continuing. The International Labour Organization, with funding from the World Bank, has developed and tested a reintegration approach through the implementation of a pilot project for the demobilization of vulnerable groups within combatant forces, reaching a total of 800 vulnerable persons, including 130 young former combatants. ILO also implemented a subregional project aimed at prevention and at the reintegration of children involved in armed conflicts in the Great Lakes subregion, with funding from the United States Department of Labor, between October 2001 and February 2003. The Multi-Country Demobilization and Reintegration Programme recently approved two special projects for the reintegration of child soldiers run by the Save the Children Fund and by a group of three international non-governmental organizations (the Innocenti Research Centre, the International Foundation for Education and Self Help and CARE) and other projects run by UNICEF.

B. Support for democratic governance and poverty reduction

Promotion of human rights and the culture of peace

34. In response to allegations of massive violations of human rights and humanitarian law in Ankoro, in Manono territory (Katanga) between 10 and 18 November 2002, MONUC, in cooperation with the Office of the United Nations High Commissioner for Human Rights, dispatched an investigative mission, which went to Ankoro on 28 November 2002 to verify the allegations. The Office of the United Nations High Commissioner for Human Rights also participated, in cooperation with MONUC, in various missions to follow up allegations of grave human rights violations in the eastern part of the Democratic Republic of the Congo, specifically in Kisangani and Bunia. It has initiated capacity-building activities for national institutions, both governmental and non-governmental, through training sessions on the administration of justice and human rights, international humanitarian law, and ethics, aimed at public structures, criminal investigation officers, teachers, army officers and journalists. UNDP efforts have focused on disseminating the documents of the National Conference on Human Rights, raising public awareness and informing the population about human rights principles and norms, and training specialists from the Ministry of Human Rights, members of specialized services (army and police) and leaders of civil society organizations. UNICEF is lobbying for the observance and application of the Convention on the Rights of the Child and other international and national laws protecting children and women. In order to put an end to the regime of impunity, it is assisting the Government in conducting awareness-raising, training and capacity-building initiatives to inform communities of their rights. It is continuing to provide support to the Government in introducing new national laws and amending existing ones to bring them into line with the Convention on the Rights of the Child and the Convention on the Elimination of All Forms of Discrimination against Women.

35. In order to ensure that women are better informed of their rights, the United Nations Population Fund (UNFPA) has assisted the Ministry of Social Affairs in formulating the content and the practical modalities for the conduct of legal clinics for the defence of the rights of Congolese women. Also, UNFPA support has enabled the Réseau d'Action Femme to conduct an awareness-raising campaign to combat violence against women. In the context of building government capacities in the area of respect for women's and children's rights, UNFPA has supported the participation of national officials in training aimed at mainstreaming women's rights in poverty reduction strategy documents. In addition, it has provided assistance with the establishment of a network of women ministers and parliamentarians to ensure that issues of equity, equality and women's empowerment are taken into account in the country's development policies and programmes. Lastly, it has supported training for primary school teachers in Kinshasa aimed at building their capacities to combat sexual violence and gender-based inequality in the school environment.

Reform of the civil service and capacity-building

36. The Government, with the support of its partners, including UNDP and Belgium, has devised a programme of reform of the public administration and has expressed its firm intent to embark resolutely on this process. This programme will eventually make it possible to establish a development administration endowed with the necessary human and material capacities and streamlined structures. In this

context, UNDP has assisted the Government in developing an interim capacity-building strategy. This interim strategy is intended as a strategic framework to support the application of government policy and is aimed at relaunching the essential administrative functions of programme delivery and implementation of government reform.

Reform of the judicial system

37. In this area, the Office of the United Nations High Commissioner for Human Rights is supporting the efforts of the standing committee for the reform of Congolese law to harmonize national legislation with the international human rights instruments ratified by the Democratic Republic of the Congo. It is also assisting the organs involved in the administration of justice and good governance through a seminar for judges, lawyers, criminal investigation officers, etc. on the dissemination of the new Code of Military Justice and the new Military Penal Code. A joint mission by the European Union, UNDP, the Office of the United Nations High Commissioner for Human Rights and Belgium to assess the state of the judicial system is in preparation and should enable a strategic intervention framework to be developed, as well as plans of action, the implementation of which will contribute to the establishment of a stable legal and institutional environment in which the rule of law is respected, human rights are protected and the population's expectations are met.

Support for the economic recovery and reconstruction of the Democratic Republic of the Congo

38. By facilitating the reopening of the Congo River, MONUC greatly encouraged the resumption of economic activities over wide areas and the rebalancing of commercial networks between the east and west of the country. Since July 2002, regular river traffic has been established between Government-held areas and areas held by the Mouvement de libération. The first private commercial traffic authorized by RCD-Goma arrived in Kisangani in February 2003. The entry into force of the Global and All-Inclusive Agreement and its provisions on total freedom of movement, and the statement made in Kinshasa on 27 April by the General Secretary of RCD-GOMA on the lifting of the remaining restrictions, offered new possibilities for the complete reopening of the river. In early May, MONUC facilitated the visit to Kisangani and Goma of a high-level trade delegation made up of 20 members of the Fédération des entreprises du Congo, who had come from Kinshasa to meet their local counterparts and the leaders of RCD-Goma.

39. United Nations agencies are also busy readjusting their programmes to take better account of the transition from urgent crisis to development, as reflected in the three pillars of the first poverty reduction strategy paper: (i) peacemaking and peace-building; (ii) macroeconomic stability and revitalization of growth centred on the poor; and (iii) support for community activities. These guidelines were included in the United Nations Development Assistance Framework 2003-2005. UNDP continued its programme of support for the renewal of grass-roots communities, which combines infrastructure rehabilitation, community capacity-building, promotion of revenue-generating activities and dissemination of better local governance practices. For the time being, these activities concern the provinces of Bas-Congo, Bandundu, Kasaï Occidental, Kasaï Oriental and Katanga and the city of Kinshasa. Furthermore, the regular activities of the UNICEF programme in the

Democratic Republic of the Congo were supplemented in 2002 by humanitarian assistance activities financed in the framework of the consolidated appeal process for families affected by the armed conflict and the eruption of the Mount Nyiragongo volcano. In the first instance, emergency medical support was provided to 4 million people; 400,000 children were vaccinated against measles and 100,000 received nutrition support; 120,000 displaced families out of 350,000 received kits of basic necessities; and 100,000 displaced children were able to return to school. Close to 45,000 families affected by the eruption of the Nyiragongo volcano received kits of basic necessities; 12,000 children were able to return to school and 320,000 children aged from 9 months to 15 years were vaccinated against measles. Moreover, a considerable effort was made to ensure greater complementarity among assistance efforts, particularly those for displaced persons and refugees (World Food Programme and Office of the United Nations High Commissioner for Refugees), capacity-building (UNDP) or those of the Office for the Coordination of Humanitarian Affairs.

Fight against HIV/AIDS

40. Faced with the magnitude of the HIV/AIDS pandemic among the most vulnerable sectors of society, UNICEF and the Government took the first action to prevent and combat HIV/AIDS under the 2000-2002 cooperation programme. The programme's objectives for 2002 were to: prevent HIV transmission among young people and mother-to-child transmission; facilitate access to health care and treatment for children and their families affected by HIV and HIV/AIDS; and improve the treatment, protection and monitoring of children orphaned or affected by HIV and HIV/AIDS. Activities carried out in coordination with the National Programme to Combat AIDS have permitted better HIV screening among young people and pregnant women in Bas-Congo province; voluntary testing of nearly 80,000 young people in eight provinces; dissemination of prevention messages to a wide audience; training of 1,651 primary and secondary school teachers and 1,150 counsellors and 1,900 peer counsellors in psycho-social skills particularly related to HIV/AIDS; awareness-raising and psychological support activities for 900 children and young people at high risk for HIV infection, particularly street children, demobilized child soldiers and teenage mothers; establishment of 250 anti-HIV/AIDS clubs; improved access for more than 150,000 young people and adolescents to the latest information on HIV/AIDS; and improved anonymous HIV/AIDS screening through the establishment of three free test centres in South Kivu. Lastly, the country has just submitted its first application — for US$ 95 million — to the Global Fund to Fight AIDS, Tuberculosis and Malaria.

41. UNFPA is supporting a major programme of awareness-raising, information, education and communication, counselling and condom distribution for young people through local non-governmental organizations. In 2002, the awareness-raising campaign reached some 2 million young people. It should also be mentioned that more than 100 health centres were revitalized and supplied regularly with essential medicines for treating sexually transmitted diseases and with reagents for HIV testing. UNFPA also lobbied national decision makers in order to raise awareness of the risk of a demographic catastrophe caused over time by record levels of maternal mortality and the rapid spread of HIV/AIDS. In that connection, UNFPA helped develop an HIV/AIDS prevention programme for the Congolese army and police.

C. Humanitarian assistance provided by the United Nations system in the Democratic Republic of the Congo

Access to vulnerable populations

42. Between 1999 and 2002, the number of internally displaced persons increased from 800,000 to 2.7 million, despite the return of some families to some territories such as Masisi, northern Katanga, Equateur and Kasaï Oriental. To promote a concerted approach to the management of internally displaced persons as recommended by the January 2003 inter-agency mission, UNFPA assisted the Commissariat Général à la Réinsertion in drawing up a pilot project for the protection, reintegration and social readaptation of internally displaced persons.

V. Prospects for reconstruction

A. Political transition and reunification of the country

43. The recent establishment of the Transitional Government and the agreements on creating an integrated national army will facilitate the provision of humanitarian assistance to hitherto inaccessible regions and the creation of a climate conducive to the country's reconstruction. It is important that disarmament, demobilization, reintegration, repatriation and resettlement activities for foreign and Congolese forces are properly carried out. To that end, the deployment of the neutral force, the cessation of hostilities, the creation of a climate of security and confidence in the two Kivu provinces and the preparation and introduction of a comprehensive national DDR programme in the next three to six months are crucial. Sustained international assistance is necessary to support the transition and assist the Government in taking up immediate and medium- and long-term challenges simultaneously. It will also have to lay the basis for a democratically elected Government, to be set up at the end of the transition period, by preparing for elections and drafting a new Constitution. At the same time, the Transitional Government will have to settle security and military issues and fulfil the population's expectations by improving the economic situation.

44. Such a programme assumes that the country can undertake radical, far-reaching reforms in the areas of public administration, justice and human rights, and the army and police in a very short time. These different operations can be carried out only in a longer time frame than that of the transition period, hence the need for transitional mechanisms that are sufficiently supported by the international community and the partners of the Democratic Republic of the Congo. In the very short term, the European Union has pledged 9.5 million euros to finance the rehabilitation of public buildings to accommodate the transitional institutions. UNDP has been asked to coordinate the assistance of the partners to institutions that support democracy.

B. Economic recovery

45. Analysis of the economic situation of the Democratic Republic of the Congo has revealed encouraging signs. By taking courageous measures and despite occasional setbacks, the Government has managed to control inflation and the

money supply. Nevertheless, economic prospects for the next two to three years reveal the persistence of some discouraging signs. The State budget (about US$ 900 million in 2002, nearly half of which was financed from external resources) will remain extremely weak by comparison with the tasks that the Transitional Government will have to accomplish. The external debt service burden (15 per cent of the budget in 2003) is a major constraint on expanding mechanisms for boosting national production and therefore employment. The persistence of negative net capital flows during this post-conflict transition period could affect peace-building in the Democratic Republic of the Congo. The country's admission to the HIPC initiative is one element that could reverse that trend, but the provision of additional external resources remains indispensable. Moreover, the external debt service burden is preventing the Government from dealing effectively with the difficult problem of the domestic public debt: with less than 1 per cent of the 2003 budget earmarked for its repayment, national businesses are being deprived of the means to boost production.

C. Strategic intervention framework

46. The Democratic Republic of the Congo is at a turning point in its history. The involvement of the Congolese authorities and the country's development partners in building peace and security and combating poverty requires an appropriate strategic framework. The special assistance to be given to the Democratic Republic of the Congo should centre on the following three pillars: (i) a special three-year transition assistance programme (support for transitional institutions, emergency technical and financial assistance for public administration capacity-building and reunification, support for the establishment of an integrated army and an integrated police force, support for institutions that will help democracy take root and support for the organization of elections); (ii) an emergency public infrastructure rehabilitation programme expanded to the country's eastern and northern provinces; and (iii) an emergency humanitarian, social and cultural programme that will permit a transition from assistance activities to development activities. The latter two pillars have already been unanimously approved by the Congolese parties that adopted the Emergency Multisectoral Rehabilitation and Reconstruction Programme 2003-2005 and the Emergency Humanitarian, Social and Cultural Programme in Sun City.

VI. Recommendations

47. **The Secretary-General:**

(a) Encourages all the parties to the conflict in the Democratic Republic of the Congo to pursue the efforts under way to accelerate the effective establishment of all the transitional institutions provided for in the Global and All-Inclusive Agreement;

(b) Invites donors, in particular those with influence over the Government of Rwanda, to stress their firm support for MONUC efforts to ensure the disarmament, demobilization and repatriation of foreign armed groups currently in the Democratic Republic of the Congo and to encourage the Government of Rwanda and its allies to cooperate with MONUC in establishing and maintaining a climate of security and confidence in order to enable the

disarmament, demobilization, repatriation, reintegration and resettlement operations carried out by MONUC to proceed smoothly;

(c) Invites the multinational financial institutions and the principal creditors of the Democratic Republic of the Congo to speed up the country's admission to the Heavily Indebted Poor Countries initiative in order to alleviate its debt service;

(d) Invites the development partners to support the implementation of financial mechanisms designed to discharge the domestic public debt;

(e) Invites the development partners to cover the funding shortfall of the Emergency Multisectoral Rehabilitation and Reconstruction Programme and to support civil service reform and efforts to reunify the country.